

**U.S. Commercial Service Market Brief**  
**Featuring Cathy Wang, Senior Commercial Specialist**  
**U.S. Commercial Service, American Consulate in Guangzhou**

***China Green Building Products Market***

**November 20, 2008**

Doug Barry: Hello and welcome to another edition of Commercial Service Market Briefs. It's a special edition today and we're speaking with Cathy Wang, Senior Commercial Specialist with the U.S. Commercial Service at the American Consulate in Guangzhou, China.

And I expect it's news to no one that China represents the fastest growing construction market in the world. But how does sustainable design and green building materials fit in with this growth? Is there a market for U.S. companies exporting green building products and technologies?

And Cathy, if the answer to that question was anything but no, I would - don't come here, don't bother, it's not worth it, I wouldn't be calling you today.

What is the opportunity there?

Cathy Wang: Actually green building demands in China is increasing. It's not just the government's concern in reducing the energy consumption, but the increasing international legislation of reducing energy.

So actually from many of the local governments they have to adopt these ethos.

Doug Barry: Okay. And tell us about the kinds of products that are in the most demand now and will likely be in demand in the future.

Cathy Wang: Actually for green building products it's a really wide range - they're including a wide range of products; and for us, and after we conduct a little bit of research, and we find out that the most export for potential products including the lighting.

And I think of the lighting for the state on the number one requests on reducing energy. And we say the Low-E windows, the structural envelope or we say the roofing insulation and most of the requests on HVAC solutions.

Doug Barry: Okay. So we have windows, we have lighting, we have roofing and we have HVAC solutions. Anything else?

Cathy Wang: Yes, actually. Not just - it's not including all of them. We have found out that many of the other products that the American companies have been doing well to studying those products. And maybe I can give you some examples. And we say the Owens Corning, they are doing insulation products and systems.

And we know the American company Sloan Valve Company that's doing motion sensors. So and that there at York is doing HVAC, and actually we cannot -- I don't want to list all of those products. Actually we have prepared a short report including those with great potentials for American export.

Doug Barry: Okay, Cathy. And just for our listeners' benefit, that report is online on our Web site which is [export.gov](http://export.gov). And as a follow-up to that, are there opportunities for smaller companies? You mentioned Corning, which is quite large, but are you seeing smaller U.S. companies coming forward and being successful there?

Cathy Wang: Yes. Actually when we promote a U.S. product as the foreign Commercial Service submission responsibility is major to promote middle to small suppliers' efforts to the overseas markets. So we mainly are focusing on those middle to small size exporters.

For when we promote - when we promote those products, we will recommend those companies to think of, they provide a product with a competitive price. If their price is competitive and their technology is advanced, then we have the confidence to promote those small to medium exports.

Doug Barry: Okay. And are there - is the demand large all over the country? You're in Guangzhou which is in the south near Hong Kong. Where is the biggest demand in China right now?

Cathy Wang: Actually South China is the number one market for the green building. I would say it's the testing market for green building products. The Minister of Construction of China has appointed that South China would be the market to adopt green building products for all of the future constructions. And all of those finished products must pass the passing by the Ministry of Construction.

So actually I would think of that as southern China is the number one market, but the North China since during the weather issue. We would think of to promote other products that's to saving energies because many of - during the weather - weather is cold. And we'll think of those products can provide warmer and with lower cost products will be - speak to the North market.

Doug Barry: Okay. So there's opportunities in the south in the warmer climates and also in the north, north of Beijing. That's good to know.

Now what about the challenges and obstacles to selling this kind of technology in China? What are they?

Cathy Wang: Well, actually when China started promoting the green building products they adopted the LEED system. So actually it's good news for U.S. exports. LEED actually sees American certifications. And currently many of those we say the buyers and the architectural firms and engineers, they would use those products with the LEED certifications. And with those products and with the advanced technology and the proof, they are saving energy and water. And absolutely they have to be with a competitive price.

Doug Barry: Well, Cathy, you -- oh, sorry. Go ahead.

Cathy Wang: Okay. And if those products got the LEED certification, it will be easier for us to promote those products. And actually for FCS China we have many of the services that can promote products with LEED certifications. And we have been doing that.

Doug Barry: So you can - your office can help U.S. companies get the necessary certifications and paperwork to enable them to sell and do business in the country?

Cathy Wang: Well actually we do not assist the companies to get the LEED certificate. They have to pass some of those tests and get a certificate before they enter into this market. After - when we know then, we have some similar solicitors to assist the company to do promotions and we can assist a company to locate distributors, or we can identify end-users and to promote directly to those end-users.

Doug Barry: Okay. Great. And you've written an excellent report which as I mentioned earlier our listeners can access on [export.gov](http://export.gov).

And, Cathy, to learn more about the green building movement in China, our listeners can find market research reports through the U.S. Commercial Services Web site or contacting their nearest export assistance center.

And we really appreciate you for being with us today. It's the beginning of your day in Guangzhou today, and I hope you have a very enjoyable and productive one.

Cathy Wang: Yes, yes. Thank you. Actually I do appreciate this opportunity to promote the green building products for U.S. exporters. And I will very welcome them to come to South China and are happy to assist them to expand in southern China.

Doug Barry: Wonderful. I'm sure they'll be hearing - you'll be hearing from them. And thanks for joining us today. And to our listeners, thanks very much for being with us.

And on behalf of my colleagues in China and around the world at the U.S. Commercial Service, this is Doug Barry in Washington. Thanks for listening.

Cathy Wang: Thank you.

Doug Barry: Bye-bye.

END